

BY-LAWS  
OF  
FEDKIDS, INC.

ARTICLE I

MEMBERS

The Corporation shall have no members.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Powers and Numbers. The Board of Directors shall have general power to control and manage the affairs and property of the Corporation in accordance with the Purposes and limitations set forth in the Certificate of Incorporation. The number of directors constituting the entire Board shall be not less than seven (7). This number may be increased-or decreased only by vote of a majority of the entire Board (not merely a majority of the directors present when there is a quorum of the entire Board). No decrease in the number of directors shall shorten the term of any incumbent director.

Section 2. Composition of the Board of Directors.

(a) A majority of the entire Board of Directors shall be composed of directors who are current employees of a federal agency.

(b) The Board of Directors shall also include the following (whether or not federal employees), unless no such individuals satisfactory to the Board of Directors are then available or willing to serve as directors:

(i) at least one (1) director who is currently a member of a federal employee union, with the identity of said union to be determined by a vote of the Board of Directors, and said union shall recommend two (2) members from which the Board of Directors shall at least one director);

(ii) at least one (1) director shall have, by training or experience, expertise in the financial field;

(iii) at least one (1) director shall have, by training or experience, expertise in the legal field;

(iv) at least one (1) director shall have, by training or experience, expertise in the child care field;

(v) at least one (1) director shall have, by training or experience, expertise in the social services/health care field; and

(vi) at least two (2) directors shall be parents of children as defined by enrollment policy in the FedKids, Inc. day care center, with the initial parent directors to be elected within the first six (6) months after the day care center first becomes operational.

(c) At no time shall the director of the day care center serve as a member of the Board of Director.

Section 3. Election and Term of Office. The initial directors shall be the persons named in the Certificate of Incorporation. The directors shall be elected for a term of one (1) year at the annual meeting of the Board by a majority of the entire Board of m Directors. Each director shall continue in office until his successor shall have been elected and qualified, or until death, resignation, or removal, provided, however, that each Federal employee serving on the Board shall continue in office only for so long as said director remains an employee of the Federal government, unless said director is not necessary to the maintenance of the federal employee majority on the Board, in which case, said director may continue in his position subject to approval by a majority of the Board of Directors.

Section 4. Newly Created Directorships and Vacancies. Newly created directorships and vacancies arising at any time among the directors for any reason may be filled by vote of a majority of the Board of Directors.

Section 5. Resignation. Any director may resign from office at any time by delivering his resignation, in writing, to the Chairman of the Board of Directors. The acceptance of the resignation, unless required by its terms, shall not be necessary to make the resignation effective.

Section 6. Removal. Any director elected by the Board may be removed with or without cause by a majority vote of the entire Board, at any regular or special, meeting of the Board.

Section 7. Reimbursement of Expenses. No advisor of the Corporation shall receive, directly or indirectly, any salary or compensation for any service. rendered to the Corporation except that the Board of Directors may authorize reimbursement of expenditures reasonably incurred on behalf of activities for the benefit of the Corporation.

### **Article III**

#### **MEETING**

Section 1. Place and Time of Meeting. The annual meeting of the Board shall be held in May of each year at a time and place fixed by the Board. Regular meetings shall be held at least once every quarter at a time and place to be fixed by the Board. A special meeting may be called at any time by the Chairman or other officer, or by written demand of any four (4) directors to be held at any time and place specified by them.

Section 2. Adjourned Meetings. A majority of the Directors present at a meeting, whether or not a quorum is present, may adjourn such meeting to another time and place. Notice of the time and place of such adjourned meeting shall be given to directors who were not present at the time of such adjournment.

Section 3. Notice of Meeting. Notice of the time and place of each regular, special, or annual meeting of the Board, and, to the extent possible, a written agenda stating all matters upon which action is proposed to be taken, shall be mailed to each director, postage prepaid, addressed to him at his residence or usual place of business (or at such other address as he may have designated in a written request filed with the Secretary), at least eight (8) days before the day on which the meeting is to be held; provided, however, that notice of special meetings to discuss matters requiring prompt action may be sent to him at such address by telegram or cablegram, or given personally or by telephone, no less than forty-eight hours before the time at which such meeting is to be held. Notice of a meeting need not be given to any director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting the lack of notice to him.

Section 4. Quorum and Voting.

(a) Unless otherwise required by law or by the Certificate of Incorporation or by these By-Laws as they now exist or may hereafter exist, if:

(b) (i) the total number of directors comprising the entire board is equal to or less than fifteen (15), then the presence of one-third of the total number of directors shall constitute a quorum for the transaction of business or any specified item of business; or

(ii) if the total number of directors comprising the entire board is greater than fifteen (15), then the presence of five (5) directors, plus one (1) additional director for every ten (10) directors (or fraction thereof) in excess of fifteen (15), shall constitute a quorum for the transaction of business or any specified item of business.

(b) Except as otherwise required by law or by these By-Laws, the vote of a majority of the directors present at the time of the vote, if a quorum is present at such time, shall be the act of the entire Board. Whenever these By-Laws require a vote of the majority of the entire Board of Directors, such a majority shall equal one more than half the total number of directors then comprising the entire Board of Directors.

these (c) Notwithstanding any other section of By-Laws, the following actions may be taken only by a

majority vote of the Board:

(i) the selection, appointment, or removal of the individual or entity ("provider") responsible for the operation of the Corporation's child care center, and

(ii) any action to extend or rescind any contract with a provider or to modify in any material way the terms of any contract with a provider.

Section 5. Action by the Board. Any action required or permitted to be taken by the Board, or by any committee thereof, may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents shall be filed with the minutes of the proceedings of the Board or committee. Any one or more members of the Board, or any committee thereof, may participate in a meeting of the Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

## ARTICLE IV

### OFFICERS, AGENTS AND EMPLOYEES

Section 1. Officers. The officers of the Corporation shall be a Chairman of the Board of Directors, one or more Vice Chairman, a Secretary, one or more Assistant Secretaries, a Treasurer, and one or more Assistant Treasurers. The Board may, at its discretion, appoint other officers, agents, and employees who shall have such authority and perform such duties as may from time to time be prescribed by the Board.

Section 2. Election, Term, Removal. All officers shall be elected at the Annual Meeting of the Board for one-year terms and shall hold office until their successors shall have been elected and shall have qualified or until death, resignation or removal. Newly created offices or vacancies may be filled at any meeting of the Board. Any officer, agent, or employee may be removed, with or without cause, by a vote of a majority of the entire Board.

Section 3. Compensation. Compensation of employees and agents shall be fixed by the Board. This power, however, may be delegated to any officer, agent, or employee as to persons under his direction or control.

Section 4. Powers and Duties. The officers shall have such powers and perform such duties as usually pertain to their respective offices and such additional powers and duties as may be specifically authorized.



Section 5. Powers and Duties of the Chairman of the Board of Directors. The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors and the Executive Committee and shall generally supervise the affairs of the Corporation. The Chairman shall also have such other powers and perform such other duties as the Board of Directors may from

Section 6. Powers and Duties of the Vice Chairman. In Vice Chairman selected by the Board shall perform all the duties A Vice Chairman shall also have such other powers and perform su time to time prescribe.

Section 7. Powers and Duties of the Secretary. The Se Board in books to be kept for the that purpose and, in general, Secretary and other such duties as from time to time may be assi

Section 8. Powers and Duties of the Treasurer. The Tr accurate accounts of receipts and disbursements of the Corporati valuable effects of the Corporation are ,deposited in the name a depositories as the Board may designate. The Treasurer shall at to any officer or director of the Corporation and shall render a Board. The Treasurer shall also perform all Other duties incident to the office of Treasurer, and such other by the Board.

ARTICLE V

COMMITTEES OF THE BOARD

The Board, by resolution adopted by a majority of the entire Board, may appoint one or more committees for the purpose of Fund Raising, Nominating and other standing committees. The Chairman of each committee. Each committee so appointed shall consist only of those powers specifically delegated to them by the Board in the committee shall have any authority as to the following matters:

- (1) the filling of vacancies on the Board or in any committee;
- (2) the amendment or repeal of the By-Laws or the adoption of new By-Laws;
- (3) the amendment or repeal of any resolution of its t
- (4) the fixing of compensation of the directors for se

Additional special committees may be established by the Board of Directors and shall have only the powers specifically designated to them by the Board. The members of any such special committee shall be appointed by the Chairman of the Board of Directors with the consent of the Board.

ARTICLE VI

CONTRACTS, CHECKS, BANK ACCOUNTS, AND INVESTMENTS

Section 1. Deposits. Funds of the Corporation may be deposited from time to time to the credit of the Corporation

with such depositaries as may be selected by the Board.

Section 2. Checks. Drafts. Etc. All checks, drafts, or other orders of the payment of money, notes, acceptances, or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer, employee, or agent of the Corporation, and in such manner as shall be determined from time to time by resolution of the Board. Unless otherwise provided by resolution of the Board, endorsements for deposit to the credit of the Corporation in any of its duly authorized depositaries may be made, without countersignature, by the Chairman of the Board or the Treasurer, or by any other officer, employee or agent of the Corporation to whom such power shall have been delegated by the Board, or may be made by handstamped impression in the name of the Corporation.

Section 3. Sale or Transfer of Securities. Stock certificates, notes, bonds, or other securities held or owned by the Corporation may be sold, transferred, or otherwise disposed of when endorsed for transfer by such officer, employee, or agent of the Corporation, and in such manner as shall be determined from time to time by resolution of the Board.

#### ARTICLE VII

##### OFFICE AND BOOKS

Section 1. Office. The office of the Corporation shall be located at such place as the Board of Directors may from time to time determine.

Section 2. Books. There shall be kept at the office of the Corporation correct books of account of the activities and transactions of the Corporation, including a minute book, which shall contain a copy of the Certificate of Incorporation, a copy of these By-Laws, and all minutes of meetings of the Board of Directors.

#### ARTICLE VIII

##### FISCAL YEAR

The fiscal year of the Corporation shall be determined by the Board of Directors.

ARTICLE IX  
AMENDMENTS

These By-Laws may be amended at any meeting of the Board of Directors by a vote of the majority of the entire Board of Directors, except that any amendment which increases the quorum requirement or the proportion of votes necessary for the transaction of business, or of any specified item of business, must be authorized by a vote of two-thirds of the entire Board.

ARTICLE X  
INDEMNIFICATION

Section 1. Authorization for Indemnification of Directors and Officers in Actions By or In the Right of the Corporation to Procure a Judgement in its Favor. Any person made a party to an action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he, his testator or interstate, is or was a director or officer of the Corporation shall be indemnified by the Corporation, to the fullest extent permitted by applicable law as the same exists or may hereafter be in effect, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, or in connection with an appeal therein. This article is in no way intended nor is it be construed as an attempt to expand the scope of indemnification allowed beyond that permitted by applicable laws as the same now or may hereafter exist.

Section 2. Authorization for Indemnification of Directors

and Officers in Actions or Proceedings Other Than By or In the Right of the Corporation to Procure a Judgment in its Favor. Any person made, or threatened to be -made, a party to an action or proceeding other than one by or in the right of the Corporation to procure a judgment in its favor, whether civil or criminal, including an action by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan, or other enterprise, which any director or officer of the Corporation served in any capacity at the request of the Corporation, by reason of the fact that he, his testator or intestate was a director or officer of the Corporation, or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, shall be indemnified by the Corporation, to the fullest extent permitted by applicable law as the same exists or may hereafter be in effect, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein. This article is in no way intended nor is it to be construed as an attempt to expand the scope of indemnification allowed beyond that permitted by applicable law as the same now or may hereafter exist.

#### ARTICLE XI

##### INSURANCE FOR INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Corporation shall purchase and maintain insurance in

order to indemnify the corporation for any obligation which it incurs as a result of the indemnification of directors and officers, and to indemnify directors and officer in all instances in which they may be indemnified by the corporation to the fullest extent permitted by applicable law as the same exists or may hereafter be in effect.